JUL 2 5 2005

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Application No.

10/695,314

Filed

10/28/2003

Confirmation No.

4190

For

Continuously Variable Stepped Transmission

Inventor(s)

Timothy J. Morscheck

Art Unit

3681

Examiner

David D. Le

PDS No.

02-TRN-178

Commissioner for Patents P.O. Box 1450

Alexandria, VA 22313-1450

I hereby certify that this correspondence is being facsimile transmitted to the Patent and Trademark Office (Fax (703) 872-9306 on July 25, 2005.

Proposed Amendment in Response to Final Office Action

Dear Sir:

This letter is in response to the Final Office Action dated May 23, 2005. It is respectfully requested that the claims be amended as indicated below.

Proposed Amendments to the Claims are reflected in the listing of claims which begins on page 2 of this letter.

Remarks begin on page 4 of this letter.